



# Making Your First NED Role Count

*With more required from today's non-executive directors, it's vital you acquire the right skills and experience before accepting any position. Criticaleye speaks to seasoned NEDs to find out how they prepared for their first role while still an executive*

**T**aking on a NED role while still an executive is increasingly encouraged as it becomes more widely recognised that broader business experience will have a positive impact on performance. If the move is to be successful, you will need to do your homework – it's easy to underestimate the extra time involved and the risk to your personal reputation if you end up on the wrong board.

**Ruth Cairnie**, Non-executive Director at both food manufacturer ABF and engineering specialist Keller Group, made a concerted effort to get full support and buy-in before accepting a position. "It's one thing to have your line manager on board and supporting you, but if they're not the

ultimate decision maker, it's essential you know who is and how that would work."

It's a case of finding the appropriate person to meet with and ensure expectations are managed. **Cheryl Black**, NED at Skipton Building Society and former Customer Service Director / COO at Scottish Water, comments: "The key thing is, if you have got the opportunity, discuss it before you sign a contract. If not, there would need to be a conversation with the chief executive."

The clear advantages of having a NED role need to be articulated should there be resistance. **James Crosby**, Criticaleye Board Mentor and Chairman of car finance concern moneybarn, says: "The one thing

a company has to buy into is that they are the winners out of this because the experience you get sitting round the board table enables you to look at the company through the eyes of a chief executive in a way that you can't [otherwise do]..."

"That on-the-job-training is very valuable to your current employer and so either they've got the policy that they're in favour of it or you make the case – and it is a strong case that you can make."

## ALL IN GOOD TIME

Once the green light has been given by your company, the next stage is to use your network to find a suitable ▶

position. Uniformly, those speaking to Criticaleye said the biggest danger here is to accept the first offer that comes along.

Patience and self-discipline are required. “When you’re taking your first NED position, you tend to feel a little bit flattered when that offer comes through from a particular board,” says **Andrew Tallents**, Director at executive search firm Warren Partners, who goes on to add that it is essential to do proper due diligence around the company, its numbers and the other non-executives too.

**James** says: “If you’re starting out in your non-executive career, it will be important to you to be a non-executive director of a successful company. You can’t get it right all the time, but if you were to end up being a non-executive director in a series of companies that were unsuccessful, ultimately that would be very unhelpful in terms of your reputation and ability to do the job.”

It’s a case of being thorough to minimise the risks. For example, when **Ruth** was evaluating opportunities, she spoke to the external auditors and brokers as well as meeting the chief executive and other

“ You have to be able to put the appropriate amount of effort into it ”

board members. Crucially, she wanted to get a sense of the practicalities of the board meetings too, from the size of the packs to how meetings were run and where they would take place.

**Martin Towers**, Senior Independent Director at plastics manufacturer RPC Group, says: “The NED role nowadays is much more widely drawn – you do tend to get more involved. It is more time consuming and you have to be able to put the appropriate amount of effort into it, particularly if you’re running one of the committees...

“If you’re [running] one of those, then there is more of a time constraint on you so you do have to juggle it. Now people say, ‘Well, I do it all at the weekend’, or: ‘This is my Saturday job.’ While that has a nice ring to it, in practice it doesn’t quite work out like that because you get caught up in things between Monday and Friday.”

As for the question of risk, naturally no organisation is completely ‘safe’. “I’ve always thought that I’ve been very diligent and yet I’ve been surprised,” says **Andrew Allner**, who has had a variety of roles and currently serves as Non-executive Chairman of public transport concern Go-Ahead Group.

“Clearly, you meet everyone on the board; I always believe it’s helpful to talk

to a company’s auditors and lawyers... I do think that you need to have a pretty good gut-instinct when you meet people, [to decide] whether you think that you will be able to work with them or not.”

When accepting and then managing a NED role while still an executive, the two most important things to bear in mind are that you should not be taking on more than you can handle, and that you feel you can make a meaningful contribution to the business.

“Ultimately, I think one gets satisfaction from the role by feeling that you can make a difference,” says **Andrew Allner**. ■

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## 5 Tips for Aspiring NEDs

1. Get buy-in from your company
2. Be honest about the contribution you can make
3. Use your network to create opportunities
4. Don’t underestimate the commitment required
5. Do thorough due diligence before accepting a role

### Featuring Commentary From:



**Andrew Allner**  
Chairman  
Go-Ahead Group



**Cheryl Black**  
NED  
Skipton Building Society



**Ruth Cairnie**  
NED  
ABF and Keller Group



**James Crosby**  
Chairman  
Moneybarn



**Andrew Tallents**  
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